

# REQUEST FOR INFORMATION

## U.S. General Services Administration National Capital Region



Webster School 940 H Street, N.W. Washington, DC 20002-3742

September 11, 2015

For Planning and Information Purposes Only

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### I. Introduction

The U.S. General Services Administration (GSA) is issuing this Request for Information (RFI) to obtain responses from real estate developers interested in the potential future redevelopment of the Webster School, which is located at 940 H Street, N.W., Washington, D.C. (the "Property"). GSA is willing to consider an exchange of the Property as consideration for a proposed transaction.

Specifically through this RFI, GSA seeks to:

- Gather market input into the potential future use(s) of the Property;
- Identify potential redevelopment and disposition scenarios and potential transaction structures; and
- Achieve best value for GSA on behalf of the Federal Government, promote fair and transparent competition and discover the most beneficial technical and financial solution for the reuse of the Property.

GSA intends to use the information provided in the responses for planning purposes and to help make strategic decisions regarding the Property. GSA invites the respondents to submit ideas that could assist GSA in achieving its objectives.

GSA will not enter into a sale, exchange or outlease agreement as a result of this RFI. After review of the responses, GSA will determine if there is the breadth and depth of interest from respondents to proceed with an open, competitive solicitation. If GSA determines that redevelopment or repositioning of the Property will provide value to GSA and the Federal Government, GSA may, in the future, issue a Request for Qualifications, a Request for Proposals, an Invitation for Bids, or another solicitation type. If GSA determines through its review that a redevelopment transaction is not in the best interest of GSA and the Federal Government, then GSA may explore other options for the Property.

GSA will not reimburse the respondents for any expenses associated with responding to this RFI, though GSA sincerely appreciates respondents' efforts and input. For additional information on the submission process, see section IX of this RFI.

## II. Opportunity / Background

As part of GSA's strategic real property asset management program, in furtherance of the Administration's goal to "Freeze the Footprint" and in accordance with the June 2010 Presidential Memorandum to dispose of unneeded Federal real estate, GSA has identified the Property as an underperforming Federal real property asset and is seeking information to help reposition the asset.



\* Webster School

Figure 1 Aerial view of the Webster School

The Federal Government, through GSA, purchased the Webster School in 2003 to provide a security buffer for the U.S. Secret Service Headquarters Building. GSA is exploring all options to meet the Secret Service's needs, which includes identifying ways to better use the Property and reposition it to benefit the American taxpayer and District of Columbia economically.

Any future redevelopment will need to take into account historic preservation factors and the Secret Service's security concerns, both of which are discussed in greater detail below.

There is strong demand for office space and other distinctive space requirements in this submarket of downtown Washington, D.C.. GSA seeks to understand the possible development potential and usage for the Property given its unique constraints. As a result, GSA is soliciting creative development ideas that will potentially generate new opportunities for full utilization of the Property. Potential transaction structures could include an exchange for real property or construction services, a lease under section 111 of the National Historic Preservation Act of 1966, as amended, or a sale.

GSA intends to use information received from this RFI to aid in its decisionmaking process for the Property.

## **III. Property Description**



The Property, which is located at 940 H Street, N.W., Washington, D.C., is improved with a three-story brick structure with a single sub-grade level constructed in 1882. The building is the former home of the Webster School, which was named for Senator Daniel Webster of Massachusetts. The common floor plan consists of two wings around a central core. The floors in the core area rest upon a brick masonry arch system with steel beams. With the exception of the basement brick and concrete floor, the entire building floor is constructed of wood joists with interior load-bearing walls. The roof is comprised of slate tile and there is an approximately 1,100 square foot

Fig. 2 Second floor hallway

open courtyard between the northeast and southeast wings of the building. Ceilings are approximately 18 feet high on the building's first level and 14 feet high on the second and third levels. The building contains approximately 27,500 gross square feet of space.

In May 1999, the National Treasury Employees Union (NTEU) purchased the Property. Because the Webster School building is contiguous to the headquarters of the U.S. Secret Service, the Secret Service expressed security concerns to GSA with regard to NTEU's proposed redevelopment. As a result, the United States acquired the Property in 2003.

<u>Site</u>	Infor	<u>mation</u>

Legal Description For real property assessment and taxation

purposes, the Property is identified as:

Square 375, Lot 822

Location The Property is located at 940 H Street, N.W.,

at the southeast corner of H and 10th Streets.

N.W.

Zoning Designation DD/C-4

Zoning Description C-4 is for Central Business District; DD is for

the Downtown Development District Overlay.

Permitted Uses Retail, Office, Housing, Mixed, and Public

**Buildings** 

Utility and Easements

The Property is located in an area of significant commercial office development, and there is ample power and telecom/fiber infrastructure in the area. Water, sanitary sewer, storm, and steam system infrastructure exist in the vicinity of the Property. The Property is subject to typical existing utility easements.

Transferable Development

Rights

Transferable development rights may be available pursuant to the requirements of

11 DCMR § 1709

#### **Existing Improvements**

Height (Stories) Three stories

Gross Building Area Approximately 27,500 square feet

Year Built 1882

Basement One sub-grade level

## IV. Historic Preservation Considerations



Figure 3 Historic Picture of the Webster School

The District of Columbia Historic Preservation Review Board designated the Property a local historic landmark in February 1999. This designation was based on several factors, including (i) the building is a good representative example of the larger red brick schools built by the Office of the Building Inspector during the late nineteenth century; (ii) the building was the home of the

Americanization School during that

institution's most significant period; and (iii) the Webster School was one of the last public schools remaining in downtown Washington, providing physical evidence of the residential neighborhoods and ethnic groups that were once an important part of the downtown community. One of the primary uses of the Webster School in the 20<sup>th</sup> century was to teach recent immigrants to the United

States basic American history and government as part of the Americanization Movement to help newly arrived immigrants more quickly assimilate into American society.

GSA has determined that the Property is eligible for listing in the National Register of Historic Places. Any redevelopment of the Property will be required to comply with a covenant ensuring protection of the historic building by application of the Secretary of the Interior's Standards for Rehabilitation. Redevelopment of the Property will be further subject to review and approval by the D.C. Historic Preservation Office and other District of Columbia historic preservation requirements.

#### V. Environmental Conditions

GSA completed a Phase I Environmental Site Assessment (ESA) of the Property in January 2012. The assessment indicated there was "no evidence of recognized environmental conditions in connection with the Property." The ESA did not cover asbestos, radon, lead-based paint, lead in drinking water, or indoor air quality.

According to a prior owner of the building, hazardous materials were identified in December 1998 and removed the following year. Abatement consisted of appropriate removal of all identified friable asbestos in the basement, all PCB-containing ballasts, all store chemicals, all mercury vapor light tubes, and all Freon from the window air conditioning units then in the building. There also is lead paint in the building.

Consistent with applicable law, GSA's conveyance of the Property would be without warranty and on an "as-is, where-is" basis.

## VI. Security Buffer

Given the security concerns of the Secret Service in the adjacent Federal building, GSA anticipates that covenants will be incorporated into any deed of conveyance or lease of the Property so long as the adjacent Secret Service Headquarters Building remains in Federal ownership. At this time, the covenants have not been developed; however, such covenants may include restrictions similar to those listed below:

 (a) No foreign government or foreign-owned or -controlled entity will be allowed to purchase or occupy the Property;

- (b) Roof access to any building constructed or located upon the Property will be restricted and controlled in accordance with operating procedures approved, in writing, by the Secret Service or such other Federal entity that may occupy the Secret Service Headquarters Building;
- (c) All windows facing the Secret Service Headquarters Building (i) in any building or infill constructed after the date of conveyance or (ii) newly installed in an existing building upon the Property must be non-opening and without tinting;
- (d) The construction of any building or improvement on the Property after the date of conveyance must, to the maximum extent possible, minimize the number of windows located along the side of any such building or improvement facing the Secret Service Headquarters Building;
- (e) The construction of any building or improvement upon the Property must be accomplished in accordance with a construction security plan approved, in writing, by the Secret Service or such other Federal entity that may occupy the Secret Service Headquarters Building, in advance of any construction activity. Security screening must occur during the construction phase for all workers on the site. The construction security plan, which will be negotiated between the Government and the new owner or lessee of the Property, will address how this will be handled;
- (f) No cameras or recording devices of any type, including audio and video, may be directed at the Secret Service Headquarters Building from the Property;
- (g) The alleyway between the Secret Service Headquarters Building and the Property must not be fenced or closed, thereby restricting security checks by Secret Service personnel. Unrestricted access must be granted to the Secret Service for periodic security checks of this alleyway; and
- (h) Periodic, reasonable inspections of the Property must be provided for in the operating procedures negotiated between the Government and the new owner or lessee of the Property.

The foregoing covenants will be void and of no further force and effect if the Secret Service Headquarters Building is no longer owned and occupied by the United States of America. Occupants of the Property will be required to adhere to these covenants and, in the event the Property or an interest therein is sold, leased or otherwise transferred to another entity, all contracts and conveyance

instruments related to the Property must include these covenants such that the covenants run with the land.

### VII. "AS-IS" Condition

The Property will be conveyed "AS-IS" and "WHERE-IS," without representation, warranty or guaranty as to quantity, quality, title, character, condition, size, or kind, or that the same is in proper condition or fit to be used for the successful offeror's intended purpose.

Respondents must rely on their own independent research and conclusions for all development, financing, construction, and operating costs.

#### VIII. Statement of Limitations

- 1. GSA represents that this RFI, submissions from respondents to this RFI and any relationship between GSA and respondents arising from or connected or related to this RFI are subject to the specific limitations and representations expressed below, as well as the terms and conditions contained elsewhere in this RFI. By submitting a response to the RFI and without the need for any further documentation, the respondents acknowledge and agree to GSA's rights and all other terms and conditions as set forth in this RFI, including the Statement of Limitations.
- 2. GSA reserves the right, in its sole discretion, without liability, to use any or all of the RFI responses in its planning efforts and to develop and operate the Property, in whole or in part, outside of the RFI process. GSA reserves the right to retain all the materials and information, and the ideas and suggestions therein, submitted in response to this RFI. All such material, information, ideas, and suggestions will become the property of GSA.
- 3. This RFI does not create an obligation on the part of GSA to enter into any agreement or implement any of the actions contemplated herein, nor does it serve as the basis for any claim whatsoever for reimbursement of any costs associated with the preparation of responses submitted to the RFI.
- 4. The submission of an RFI response is not required to participate in any potential future redevelopment process, nor does submission of a response preclude respondents from participating in any future redevelopment of the Property.
- 5. To the best of GSA's knowledge, the information provided herein is accurate. However, GSA makes no representations or warranties whatsoever with respect

to this RFI or the Property, including representations and warranties as to the accuracy of any information or assumptions contained in this RFI or otherwise furnished to respondents by GSA, site and environmental conditions on the Property or the suitability of the Property, or any portion thereof, for any specific uses or development. Respondents should undertake appropriate investigation and due diligence in preparation of submitting a response. A site inspection will be coordinated to give all respondents the opportunity to examine existing conditions (see section IX, below, for additional information on the tour).

- 6. This RFI is issued solely for information and planning purposes and does not constitute a solicitation. A response to this RFI is not an offer and cannot be accepted by GSA to form a binding contract.
- 7. GSA may request clarifying discussions with any or all of the respondents on an individual or group basis. Submission of a response does not guarantee the opportunity to participate in the discussions.
- 8. GSA will not pay any claims for brokers' fees or other costs associated with submitting a response.
- 9. Respondents submitting business information pursuant to this RFI should consult 41 C.F.R. part 105-60 and other implementing regulations concerning the release of such information to third parties under the Freedom of Information Act, 5 U.S.C. § 552. All information submitted by respondents that they consider confidential and not releasable to third parties outside of GSA, and GSA's employees, agents, consultants, and representatives, must be clearly and conspicuously so marked.

#### IX. Additional Information

#### Pre-submittal Tour

GSA has scheduled pre-submittal tours of the property on the following dates and times:

Wednesday, November 4, 2015, at 2:00 pm Wednesday, November 4, 2015 at 3:00 pm Thursday, November 5, 2015 at 10:00 am Thursday, November 5, 2015 at 11:00 am Thursday, December 10, 2015 at 10:00 am Thursday, December 10, 2015 at 11:00 am

To sign up for the briefing and a tour, please sign up on the website at https://www.gsa.gov/portal/content/189631.

#### **Project Inquiries**

Questions regarding this RFI must be submitted no later than Friday, December 18, 2015, to the website at https://www.gsa.gov/portal/content/189631.

Written questions must include the requestor's name, e-mail address and the respondent represented. Respondents also may ask questions during the presubmittal conference. Regarding questions not received in a timely manner, GSA will decide, based on the amount of research needed to answer the question, whether an answer can be provided before the RFI due date.

A copy of all finalized questions and answers will be available at https://www.gsa.gov/portal/content/189631.

### X. Submission of Responses

All interested parties should submit a cover sheet, company description and the attached completed questionnaire with appropriate supporting information clearly marked "Response to RFI – The Webster School, Washington, DC" by 5:00 p.m. Eastern Standard Time, on Friday, January 22, 2016, to <a href="websterschool@gsa.gov">websterschool@gsa.gov</a>. If there are any problems or issues, please contact:

Nancy Czapek GSA, Public Buildings Service, National Capital Region 301 7th Street, S.W., Room 1065 Washington, DC 20407 (202) 260-6438 (telephone) nancy.czapek@gsa.gov

## **XI. Response Format**

- 1. Cover Sheet, including:
  - Company Name
  - Company Address
  - Name and Contact Information for Company Representative(s), including:
    - Telephone Numbers
    - E-mail Addresses
  - Signature of Representative
- 2. Brief description of the company; size of company; years in business; and type of entity.
- 3. Response to RFI items in numerical order followed by any additional materials (see section XII, Request for Information Questionnaire, below).
- 4) Any additional materials.

Please limit submission to 20 pages, 8  $\frac{1}{2}$  x 11, double spaced. Pages must be numbered. You may attach supplementary materials in addition to the response.

GSA thanks you in advance for reviewing this RFI and assisting us in our efforts to plan for potential redevelopment of the Webster School in Washington, D.C.

## XII. Request for Information Questionnaire

## The Webster School, Washington, D.C.

**NOTE:** GSA is not expecting respondents to design facilities.

As stated previously, GSA is seeking market input to best determine its strategy for the Property. Respondents are respectfully requested to address the items listed below:

- 1) What is the likelihood of market interest given the condition of the building and its historic status?
- 2) What range of possible uses appear economically feasible for the Property? Examples to consider:
  - a. Retail (including restaurant), office, museum
  - b. U.S. Secret Service museum and gift store
  - c. School or other Educational Use
  - d. Other
- 3) How would the security requirements of the U.S. Secret Service, described in greater detail in Section VI, above, affect the re-use of the Property?
- 4) Describe any other potential obstacles to implementing your proposed use(s).
- 5) What possible transaction/ownership structures would appear to be feasible/marketable for the Property? Would an exchange be feasible? If not, why not?
- 6) What are estimated costs to rehabilitate the Property for your proposed use(s)?
- 7) Is there any additional information that the Federal Government should consider in its planning for the Property, including thoughts on the value of the Property?

Electronic copies of this document and other due diligence materials are available for download at https://www.gsa.gov/portal/content/189631.